NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED

DRIVER'S LICENSE NUMBER.
Producers 88 (4-89) — Paid Up
With 640 Acres Pooling Provision
STANDARD LEASE v.5

## PAID UP OIL AND GAS LEASE (No Surface Use)

FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR

27	
THIS LEASE AGREEMENT is made this day of day of	, 2009, by and between
Jack Puckett, a Single person	
	art worth, Texas 96119 as Lessor,
and, <u>DALE PROPERTY SERVICES, L.L.C.</u> , <u>2100 Ross Avenue</u> , <u>Suite 1870 Dallas</u> Tex hereinabove named as Lessee, but all other provisions (including the completion of blank st	<u>as 75201,</u> as Lessee. All printed portions of this lease were prepared by the party paces) were prepared jointly by Lessor and Lessee.
<ol> <li>In consideration of a cash bonus in hand paid and the covenants herein confidescribed land, hereinafter called leased premises:</li> </ol>	ained, Lessor hereby grants, leases and lets exclusively to Lessee the following
. 485 ACRES OF LAND, MORE OR LESS, BEING LOT(S)	9A BLOCK 8
OUT OF THE Mertinan City	ADDITION, AN ADDITION TO THE CITY OF
IN VOLUME 388-M . PAGE 271 OF	TEXAS, ACCORDING TO THAT CERTAIN PLAT RECORDED
IN VOLUME <u>388-141</u> , PAGE <u>271</u> OF	THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.
in the County of <u>Tarrant</u> , State of TEXAS, containing <u>#85</u> gross acres, reversion, prescription or otherwise), for the purpose of exploring for, developing, product substances produced in association therewith (including geophysical/seismic operations commercial gases, as well as hydrocarbon gases. In addition to the above-described lea land now or hereafter owned by Lessor which are contiguous or adjacent to the above-de Lessor agrees to execute at Lessee's request any additional or supplemental instruments for determining the amount of any shut-in royalties hereunder, the number of gross acres above	i). The term "gas" as used herein includes helium, carbon dioxide and other sed premises, this lease also covers accretions and any small strips or parcels of scribed leased premises, and, in consideration of the aforementioned cash bonus, or a more complete or accurate description of the land so covered. For the purpose
<ol><li>This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a p as long thereafter as oil or gas or other substances covered hereby are produced in paying otherwise maintained in effect pursuant to the provisions hereof.</li></ol>	quantities from the leased premises or from lands pooled therewith or this lease is
3. Royalties on oil, gas and other substances produced and saved hereupder shall separated at Lessee's separator facilities, the royalty shall be Lessor's the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, p the wellhead market price then prevailing in the same field (or if there is no such price the prevailing price) for production of similar grade and gravity; (b) for gas (including cas severance, or other excise taxes and the costs incurred by Lessee in delivering, processing have the continuing right to purchase such production at the prevailing wellhead market price then prevailing in the same field, then in the nearest field in which there is such a prevailine nearest preceding date as the date on which Lessee commences its purchases hereunder, the leased premises or lands pooled therewith are capable of either producing oil or gas or hydraulic fracture stimulation, but such well or wells are either shut-in or production there from be producing in paying quantities for the purpose of maintaining this lease. If for a period obeing sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covide depository designated below, on or before the end of said 90-day period and thereafter on are shut-in or production there from is not being sold by Lessee; provided that if this lease lessee from another well or wells on the leased premises or lands pooled therewith, no shu of such operations or production. Lessee's failure to properly pay shut-in royalty shall rende 4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor of be Lessor's depository agent for receiving payments regardless of changes in the ownershift draft and such payments or tenders to Lessor or to the depository by deposit in the US Ma address known to Lessee shall constitute proper payment. If the depository should liquidal payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable.  5. Except as provided for in Paragraph 3. abov	(
6. Lessee shall have the right but not the obligation to pool all or any part of the leadepths or zones, and as to any or all substances covered by this lease, either before or proper to do so in order to prudently develop or operate the leased premises, whether or no unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10° completion to conform to any well spacing or density pattern that may be prescribed or pen of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet feet or more per barrel, based on 24-hour production test conducted under normal pro equipment; and the term "horizontal completion" means an oil well in which the horizontal component thereof. In exercising its pooling rights hereunder, Lessee shall file of record Production, drilling or reworking operations anywhere on a unit which includes all or any reworking operations on the leased premises, except that the production on which Lessor's net acreage covered by this lease and included in the unit bears to the total gross acreage Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereun unit formed hereunder by expansion or contraction or both, either before or after commen prescribed or permitted by the governmental authority having jurisdiction, or to conform to making such a revision, Lessee shall file of record a written declaration describing the revisileased premises is included in or excluded from the unit by virtue of such revision, the prop be adjusted accordingly. In the absence of production in paying quantities from a unit, or up a written declaration describing the unit and stating the date of termination. Pooling hereund 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises or lands pooled therewith shall be reduced to the proportion that L	after the commencement of production, whenever Lessee deems it necessary or at similar pooling authority exists with respect to such other lands or interests. The ceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a 6, provided that a larger unit may be formed for an oil well or gas well or horizontal mitted by any governmental authority having jurisdiction to do so. For the purpose applicable law or the appropriate governmental authority, or, if no definition is so per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic ducing conditions using standard lease separator facilities or equivalent testing domponent of the gross completion interval in facilities or equivalent testing component of the gross completion interval in the reservoir exceeds the vertical a written declaration describing the unit and stating the effective date of pooling, part of the leased premises shall be treated as if it were production, drilling or royalty is calculated shall be that proportion of the total unit production which the set in the unit, but only to the extent such proportion of unit production which the set in the unit, but only to the extent such proportion of unit production is sold by ider, and Lessee shall have the recurring right but not the obligation to revise any idement of production, in order to conform to the well spacing or density pattern any productive acreage determination made by such governmental authority. In lead unit production on which royalties are payable hereunder shall thereafter non permanent cessation thereof, Lessee may terminate the unit by filing of record ter shall not constitute a cross-conveyance of interests.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred interest, and failure of the transferred interest, and failure of the transferred interest in all or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferree in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released.

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or tands pooled or untitzed herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone inions, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises of the responsible of the relief of the produced on the leased premises of the relief of the relief

there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights may reignburse itself out of any regulates or shut-or royalties otherwise payable to Lessor hereunder. In the event

whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until

Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's

heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor. LESSOR (WHETHER ONE OR MORE) By: ACKNOWLEDGMENT STATE OF COUNTY OF larrant is instrument has acknowledged before me on the day of \_ 2009. Derson ria My Padella ublic, State of MARIA MUNOZ PADILLA Notary's name (printed): Notary's commission expires: Notary Public, State of Texas My Commission Expires October 05, 2011 STATE OF COUNTY OF This instrument was acknowledged before me on the 2009, \_day of

> Notary Public, Stale of Notary's name (printed) Notary's commission expires:



## DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

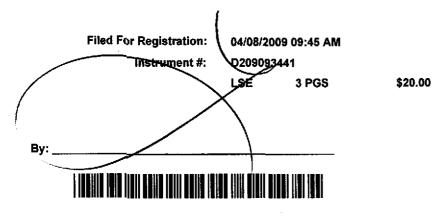
**DALLAS** 

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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